

ST. MARY PARISH SCHOOL BOARD

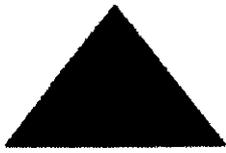
Centerville, Louisiana

AGREED-UPON PROCEDURES

January 26, 2007

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Release Date 5-2-07



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(A Corporation of Certified Public Accountants)

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**ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES**

To the Board Members
St. Mary Parish School Board
Centerville, Louisiana

Dear Members:

We have performed the procedures enumerated below, which were agreed to by the St. Mary Parish School Board, solely to assist you with respect to payroll expenditures associated with various federal grant programs for the periods from July 1, 2005 through June 30, 2006. Management is responsible for all aspects of this process. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in the report. Consequently, we make no representations regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings are as follows:

Procedure:

We obtained payroll records and other supporting documentation for all payroll related costs expended from July 1, 2005 through June 30, 2006 for all Adult Education Programs. From this information we performed the following procedures:

We selected a sample of all employees whose compensation is either completely or in part obtained from the Adult Education Programs. We then tested this sample for compliance with various attributes as follows:

1. Reviewed the payroll records for each employee to determine that the hours expended per pay period were in correlation with the related payroll costs and that these costs were within the compliance requirements of each Adult Education Program.
2. Reviewed supporting documentation to determine whether services provided by the staff members are within the compliance requirements of each Adult Education Program.

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Based on our tests we found the following exceptions to the attributes tested:

- A. Inadequate supporting documentation to verify the number of students enrolled in each program per pay period such as student rosters including names of each student, date(s) of attendance, and date that student either finished each program or withdrew from the program.
- B. Inadequate supporting documentation to verify each instructor's and paraprofessional's actual time spent teaching students versus time spent performing other activities that are not directly related to student interaction.
- C. Employees performing duties under multiple Adult Education programs, but inadequate supporting documentation to match payroll expenditures with the proper grant thereby creating inaccuracies within the budgeting requirements of each grant.

Procedure:

We selected a sample of all employees whose compensation is either completely or in part obtained from the Rural Education Achievement Program. We then tested this sample for compliance with the same attributes list above:

Based on our tests with regards to the Rural Education Achievement Program, we found no exceptions to the various attributes that were tested.

Procedure:

We selected a sample of all employees whose compensation is either completely or in part obtained from the Workforce Investment Act – In School Jobs for America's Graduates. We then tested this sample for compliance with the same attributes list above:

Based on our tests with regards to the Workforce Investment Act – In School Jobs for America's Graduates, we found no exceptions to the various attributes that were tested.

We were not engaged to, and did not conduct an audit, the objective of which would be the expression of an opinion, on the St. Mary Parish School Board's adherence to the grant requirements as they relate to various federal grants. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the St. Mary Parish School Board and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Dannall, Sikes, Gardes & Frederick
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Morgan City, Louisiana
January 26, 2007

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Recommendations
January 26, 2007

The following are a listing of recommendations as a result of our testing procedures for payroll expenditures associated with various federal grant programs:

- Adequate supporting documentation should be kept of all students enrolled in each federal program. This documentation should include a compilation of student names, date(s) of each class attended, date that student either completed the course or withdrew from the program, and name of instructor or paraprofessional that assisted each student. This information should be accurate and easily obtainable by federal program administrators.
- Accurate records should be kept of each instructor's or paraprofessional's time spent on various aspects of each program such as student interaction and assistance, (including names of students), coordination of programs, and lesson preparatory time. This information should be included as part of monthly payroll information submitted to the payroll department.
- Instructors and paraprofessionals that are employed under multiple Adult Education Programs should keep adequate supporting documentation to define time that is spent on each program's activities so that an accurate matching of payroll expenditures and grant funds can be obtained in order to stay within budgeting guidelines for each grant.
- For Workplace Literacy there should be documentation between the instructors, paraprofessionals and site managers verifying dates and times of classes held and number of students attending each class. This documentation should include verifying signatures from persons in charge of the program at each designated site.
- For Workplace Literacy there should be a signed contract between the administrators of this program and the actual site employers that will have employees participating in the Workplace Literacy Program. This contract should outline all aspects of the program and the expectations from all parties affected that will be fulfilled by this agreement.

ST. MARY PARISH SCHOOL BOARD
Centerville, Louisiana

Management's Corrective Action Plan for Agreed-Upon Procedures Findings
January 26, 2007

Management will take all recommendations under advisement and determine the best course of action for the correction of the findings as outlined in this report.